



STATE PROCUREMENT OFFICE  
EMERGENCY PROCUREMENT

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STATE PROCUREMENT OFFICE  
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Department of Land & Natural Resources-Division of Boating & Ocean Recreation  
Name of Requesting Department

Pursuant to HRS § 103D-307 and HAR chapter 3-122, Subchapter 10, the Department requests approval for the following:

1. Date or period of Emergency: 2/21/2012

2. After-the-Fact: ☒ Yes ☐ No

3. Describe in detail the emergency situation that created a threat to life, public health, welfare or safety.

This work is considered an emergency response and is time sensitive to avoid further environmental damage to an ecologically sensitive reef. This vessel Little Lady, according to a survey by the Department of Aquatics Resources is in the middle of a very shallow lagoon inside of the reef flat. This lagoon is full of large lobate corals and mounds of finger corals. Where the vessel currently sits is about 150 yards from shore and high and dry on its side on top of some large lobate and finger coral mounds. The sailboat Orchid, sunken off of Lahaina Harbor is lying in a low lying coral reef area. There are lobata and finger coral on either sides of it. There is a large antler coral head about 10' offshore of this boat so there is considerable chances to damage some important coral resources if there is not care taken during the salvage operation. The vessel has a small outboard kicker and an inboard engine. There are possibly up to 2 gallons of fuel on board. There is the potential of damage to some important coral reef resources surrounding this vessel.

4. Vendor/Contractor/Service Provider Name:  
Parker Marine

5. Amount of Request:  
\$ ~~47,700~~ 56,700.00

6. Describe in detail the emergency goods, services, or construction and explain why it is necessary.

The salvage of the vessel Little Lady will be challenging, so that further ecological damage is not done. Delay in salvaging this vessel may cause more damage to the coral if a storm or wave surge moves the vessel. The Department of Aquatics Resources has recommended that the vessel Little Lady should be required to be cut up and removed by helicopter and disposed on land. Any attempts to haul parts of this vessel towards shore or offshore, will cause a more irreparable damage to the shallow coral in the area. It is also be noted, that this area is an important black tip reef shark nursery. The vessel Orchid will be raised and towed to a DOBOR facility, removed from the water and disposed on land.

7. State the reason(s) the vendor/contractor/service provider was selected. Explain what competition, as is practicable, was conducted.

A response for the combined salvage of the vessel Little Lady (HA 4201 E) and the vessel Orchid, (WN 6135 LB) was received from only 3 salvage compaies; Cates International, BaseYard Marine and Parker Marine. Two other companies did not respond. Cates International has the ability to immediately perform the work without further damaging the reef. The delay in proceeding with the salvage request was due to the time it took to obtain the vessel's owner name and address, which was complicated by the sale of the vessel and the new owner not transferring ownership. The state was required to post a "Notice to Remove Grounded Vessel" notice on the vessel, which gives the owner 72 hours to remove the vessel before the state can take over the salvage of the vessel.

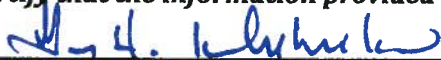
Discussions with several salvage companies, concerning different methods of attempting the salvage, and soliciting quotes for alternative salvage methods resulted in the selection of Parker Marine for the salvage.

8. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process, and has 1) appropriate written delegated procurement authority; 2) completed mandatory training; and 3) who SPO may contact for follow up inquiry, if any.

(Type over "example" and delete cells not used.)

Name of Department Personnel	Division/Agency	Phone Number	E-mail Address
Nicholas Giaconi	DLNR/DOBOR/Maui	808-243-5824	nicholas.k.giaconi@hawaii.gov

**All requirements/approvals and internal controls for this expenditure is the responsibility of the department.**  
**I certify that the information provided is to the best of my knowledge, true and correct.**



Department Head Signature

2.29.12

Date

**For Chief Procurement Officer Use Only**

Chief Procurement Officer (CPO) Comments:

Approval is based on the department's determination that removal of two vessels, Little Lady and the Orchid, is required due to potential irreparable damage to the coral reef and coral resources. This award is required to be posted on the Awards Reporting System. If there are any questions, please contact Bonnie Kahakui at 587-4702, or bonnie.a.kahakui@hawaii.gov.

☒ Approved

☐ Disapproved

☐ No Action Required



Chief Procurement Officer Signature

3/15/2012

Date

**13. Part C – Justification for inability to obtain minimum three (3) quotations, if applicable Ref HAR 3-122-75 (d):**

A response for the combined salvage of the vessel Little Lady (HA 4201 E) and the vessel Orchid, (WN 6135 LB) was received from only 3 salvage companies; Cates International, Baseyard Marine and Parker Marine. Two other companies did not respond. This work is considered an emergency response and is time sensitive to avoid further environmental damage to an ecologically sensitive reef.

This vessel Little Lady, according to a survey by the Department of Aquatics Resources is in the middle of a very shallow lagoon inside of the reef flat. This lagoon is full of large lobate corals and mounds of finger corals. As the vessel ran aground, it cut a large channel through the reef flat and damaged and/or toppled over numerous high value ecosystem coral colonies. The current damage swath, by the Department of Aquatics Resources estimate is that it is about 100 meters long by 2 meters wide. Where the vessel currently sits is about 150 yards from shore and high and dry on its side on top of some large lobate and finger coral mounds. The keel is still intact and is about 2 meters wide.

The salvage of this vessel will be challenging, so that further ecological damage is not done. Delay in salvaging this vessel may cause more damage to the coral if a storm or wave surge moves the vessel. The Department of Aquatics Resources has recommended that the vessel should be required to be cut up and removed by helicopter. Any attempts to haul parts of this vessel towards shore or offshore, will cause a more irreparable damage to the shallow coral in the area. It is also be noted, that this area is an important black tip reef shark nursery.

The sailboat sunken off of Lahaina Harbor (Orchid, WN 6135 LB), is lying in a low lying coral reef area. There are lobota and finger coral on either sides of it, but currently the amount of coral damage from this vessel is small (maybe 5 to 10 damaged small coral heads). There is a large antler coral head about 10 ' offshore of this boat so there is considerable chances to damage some important coral resources if there is not care taken during the salvage operation. The vessel has a small outboard kicker and an inboard engine. There are possibly up to 2 gallons of fuel on board. There is the potential of damage to some important coral reef resources surrounding this vessel.

The delay in proceeding with the salvage request was due to the time it took to obtain the vessel's owner name and address, which was complicated by the sale of the vessel and the new owner not transferring ownership. The state was required to post a

**"Notice to Remove Grounded Vessel" notice on the vessel, which gives the owner 72 hours to remove the vessel before the state can take over the salvage of the vessel.**

**Discussions with several salvage companies, concerning different methods of attempting the salvage, and soliciting quotes for alternative salvage methods resulted in the selection of Cates International for the salvage.**

**Parker Marine has presented the most competitive price quote for this salvage and has the ability to immediately perform the work without further damaging the reef.**



# STATE PROCUREMENT OFFICE RECORD OF PROCUREMENT

1. Agency: DLNR DOBOR

2. PO/pCard. No. \_\_\_\_\_

3. Date: 2/21/2012

4. Project/Requisition/Work Order No. \_\_\_\_\_

5. Record for: ☐ Small Purchase procurements for goods, services, & construction \$5,000 to less than \$15,000 (HRS §103D-305)\*  
☐ Small Purchase procurements for health & human services less than \$25,000 (HRS §103F-405)

\* Small purchases \$15,000 to less than \$100,000 (goods & services) and less than \$250,000 (construction) shall be conducted on the Hawaii Electronic Procurement System (HePS) pursuant to Procurement Circular No. 2009-15.

6. **PART A.** Description of good/service/construction to be procured (Ref. HAR chapter 3-122, subchapter 8):  
 Remove grounded vessel "Little Lady" a 29 foot sailing vessel (HA 4201 E) from the reef fronting Oluwalu, Hawaii. The vessel is to be removed from the reef in whole or in pieces and includes disposal. Remove sunken vessel "Orchid" a 35 foot sailing vessel (WA 6135 LB) from the ocean near Lahaina harbor, Hawaii. The vessel is to be removed from the ocean in whole or in pieces and stored includes disposal. The vessels shall be removed from the reef in a manner that will not cause further coral damage.

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7. **PART B.** Quotations Solicited - Obtain no less than three written quotes (Ref. HAR §3-122-75(b) & (c)):

Award To: (Check Box)	8. Vendor/Company Name	9. Representative Name	10. Phone No	11. Date of Quote	12. Amount Quoted
<input type="checkbox"/>	1. Cates International	Randy Cates	808 479-7104	02/17/2012	\$66000
<input checked="" type="checkbox"/>	2. Parker Marine	Michael Parker	808 277-0772	02/20/2012	<del>47700</del> 56,700
<input type="checkbox"/>	3. American Marine	left message	808 545-5190	02/17/2012	na
<input type="checkbox"/>	4. Baseyard Marine	Ermine Ferguson	808 269-2165	02/19/2012	67916
<input type="checkbox"/>	5. Sea Engineering	left message	808 526-2602	02/17/2012	na

13. **PART C.** Justification for inability to obtain minimum three quotations, if applicable (Ref. HAR §3-122-75(d)):  
 See Attached Justification

14. **PART D.** Justification for award to other than lowest responsive, responsible vendor, if applicable (Ref. HAR §3-122-75(e)):

Employee\*\* conducting procurement:

Procurement Officer\*\*\* approval:

*DS* 2/21/2012  
 15. Signature *NICHOLAS GARCIA* Date

*Kevin H. Kifer* FEB 28 2012  
 16. Signature Date

\*\*In accordance with Procurement Delegation No. 2010-01 - Delegation of Procurement Authority

FILE A COPY AS SUPPORTING DOCUMENTATION IN THE PROCUREMENT FILE.







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02.10.2012

